

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: MAY 20, 2009

DEPARTMENT: CITY MANAGER**DIRECTOR: ELIZABETH N. FRETWELL**☐ **Consent** ☒ **Discussion****SUBJECT:**

ADMINISTRATIVE:

Discussion and possible action regarding a Soils Removal Agreement between City of Las Vegas, a political subdivision of the State of Nevada, City Parkway V, Inc., City Parkway IV A, Inc., Office District Parking I, Inc., Nevada not-for-profit corporations, and Union Pacific Railroad Company, a Delaware corporation, to split the costs for managing and remediating contaminated soils excavated during construction activities at Union Park, located at 100 South Grand Central Parkway (APNs 139-34-110-006, 005 and 002) - Ward 5 (Barlow)

Fiscal Impact☐**No Impact**☐**Augmentation Required**☒**Budget Funds Available****Amount:** \$5,000,000**Funding Source:** Capital Projects Fund**Dept./Division:** Office of Business Development**PURPOSE/BACKGROUND:**

City Parkway V, Inc., City Parkway IV A, Inc., and Office District Parking I, Inc., are the owners of the site currently known Union Park. A dispute has arisen between the City Parties and Union Pacific Railroad Company concerning environmental matters that will have to be resolved by a court. The dispute has resulted in the disruption of construction schedules of various projects within Union Park. The terms of the Soils Removal Agreement allow the City Parties to incur the cost of removing existing contaminated soils that are currently stored on site, along with the costs associated with managing future excavated contaminated soils, up to \$10,000,000 and invoice Union Pacific Railroad Company for a 50 percent reimbursement. City Parties' share of agreement is for \$5,000,000.

RECOMMENDATION:

Approval and authorization of the president of City Parkway V, Inc., City Parkway IV A, Inc., and Office District Parking I, Inc., to execute the Soils Removal Agreement.

BACKUP DOCUMENTATION:

1. Soils Removal Agreement
2. Disclosure of Principals
3. Form 10-Q
4. Form 10-K
5. Submitted after Final Agenda - Missing Page from Soil Removal Agreement by Staff
6. Submitted at Meeting – Soil Removal Agreement Exhibits 1-7 by Staff

CITY COUNCIL MEETING OF: MAY 20, 2009

Motion made by RICKI Y. BARLOW to Approve

Passed For: 4; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 3
RICKI Y. BARLOW, STEVE WOLFSON, OSCAR B. GOODMAN, GARY REESE; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-LOIS TARKANIAN, STEVEN D. ROSS, DAVID W. STEINMAN)

Minutes:

BILL ARENT, Acting Director of the Office of Business Development, explained that this item is an effort to keep development moving forward in Union Park. The Union Pacific Railroad will share the costs of moving contaminated soils with the City. MR. ARENT submitted Page Two of the agreement for the record and explained it had not been included in the backup documentation through an inadvertent scanning error. Also, several exhibits listed on Page Two had not been included with the backup documentation due to their size and he submitted a CD-Rom of those exhibits for the record. He noted that funds are currently available for this expense and item is in order.

MAYOR GOODMAN stated that the City has been in extensive negotiations with the Union Pacific Railroad regarding removal of the soils. While the dispute would be resolved by litigation, both sides will ultimately benefit.

COUNCILMAN BARLOW requested that he be included in further discussions and developments regarding this matter.

